

COMPACT GOAL

The five-year, \$697.5 million Compact with the Kingdom of Morocco seeks to reduce poverty and stimulate economic growth through investments in five projects. These strategic investments will increase productivity and improve employment in high growth potential sectors such as fruit tree productivity, small-scale fisheries, and artisan crafts. Small business creation and economic growth will also be complemented by investments in financial services and enterprise support.

COMPACT AT A GLANCE

Compact Signed	08-31-2007
Entry Into Force	09-14-2008
Compact End Date	09-01-2013
Compact Total	\$697,500,000
Amount Committed	\$499,673,193
Amount Expended	\$219,242,115
Estimated Program Beneficiaries	845,415
Estimated Increase in Household Income	\$860,408,732

% OF TOTAL COMPACT BUDGET (USD MILLIONS)

43%	Fruit Tree Productivity Project	\$301.3
17%	Small-Scale Fisheries Project	\$120.6
16%	Artisan and Fez Medina Project	\$111.3
5%	Enterprise Support Project	\$33.8
7%	Financial Services Project	\$46.2
10%	Program Administration	\$67.7
2%	Monitoring and Evaluation	\$16.2



■ Project Preparation ■ Project Implementation

Fruit Tree Productivity Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS		TOTAL PROJECT EXPENDITURES ¹	
	\$301,396,445	\$288,737,192		\$127,443,546	
Stimulate the agricultural sector and reduce production volatility by: rehabilitating existing olive trees and expanding production of olive, almond and fig trees; moving small farms from high water-use, lower-value cereal grains to low water-use, higher-value fruit trees in certain terraced areas; increasing irrigation efficiency and productivity; and capacity building.					
Projected Long-Term Results (Up to 20 years)					
ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	PROJECTED RESULTS BY END OF COMPACT		PROGRESS TO DATE	
579,925	\$505,000,000	51,169 farmers trained; 155 agribusinesses assisted; 62,074 hectares under production with MCC support, and agricultural production worth \$129.5 million.		62,074 hectares of rain-fed orchards contracted, 42,440 hectares of trees planted. For the irrigated activity, 100% of the design feasibility studies have been completed; four Tranche 1 contracts covering 18,000 ha are nearing completion, and 35% of works contracts have been disbursed. This has led to a resurfacing/ rehabilitation of almost 116 km of canals in irrigated olive zones and over 61 km in oasis areas.	
				PROJECT ACHIEVEMENTS	
				The Government of Morocco is providing funding for planting an additional 21,000 ha of rain-fed orchards. The first set of women's Pilot Projects, which will help ensure that women working in agriculture receive equal access to Compact benefits, have been identified. 12,167 farmers have received training in topics such as soil management, marketing, and other farming best practices.	

Small-Scale Fisheries Project

PROJECT COST

\$120,668,027

TOTAL CONTRACT COMMITMENTS

\$64,206,787TOTAL PROJECT EXPENDITURES¹**\$6,973,445**

Transform the small-scale fisheries sector by: constructing landing sites, building/upgrading fishery facilities; building wholesale markets; providing technical assistance; partially funding fresh-fish transportation equipment for mobile fish vendors; and establishing Marine Protected Areas and increasing efforts to ensure sustainable use of fish resources.

Projected Long-Term Results
 (Up to 20 years)

ESTIMATED BENEFICIARIES

125,590ESTIMATED INCREASE IN
HOUSEHOLD INCOME**\$273,300,000**

PROJECTED RESULTS BY END OF COMPACT

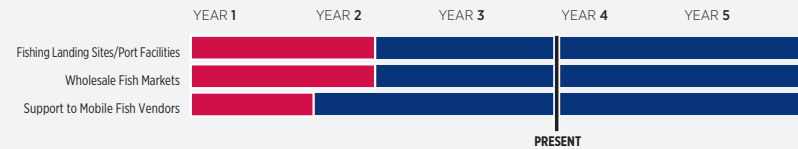
2,000 mobile fish vendors using new equipment; 1,858 fishing boats using new landing sites.

PROGRESS TO DATE

Construction is progressing well at 3 sites (1 landing site, 1 port, and a wholesale market). APP has signed contracts for 11 additional sites (4 landing sites, 4 ports and 3 wholesale markets) and is evaluating bids for 5 more sites. Final design and environmental studies are being completed for the final 4 sites, construction of which will depend on availability of funds. 199 3-wheel motorbikes have been distributed to mobile vendors.

PROJECT ACHIEVEMENTS

The Moroccan parliament has promulgated new regulations governing the operations of wholesale fish markets and the retail operations of mobile vendors. The law that will ensure that wholesale fish marketing by wholesale buyers/sellers is properly regulated went into effect in June 2011. These changes will raise the professionalism of fish markets and improve the livelihoods of Compact beneficiaries. Research on marine protected areas advances.

**Artisan and Fez Medina Project**

PROJECT COST

\$111,373,858

TOTAL CONTRACT COMMITMENTS

\$56,480,381TOTAL PROJECT EXPENDITURES¹**\$15,228,752**

Stimulate growth by leveraging links between the craft sector, tourism and the Fez Medina's cultural, historic and architectural assets; strengthen the national system for literacy and vocational education (to benefit artisans and the general population); support the design/reconstruction of historic sites in Medina.

Projected Long-Term Results
 (Up to 20 years)

ESTIMATED BENEFICIARIES

126,900ESTIMATED INCREASE IN
HOUSEHOLD INCOME**\$65,000,000**

PROJECTED RESULTS BY END OF COMPACT

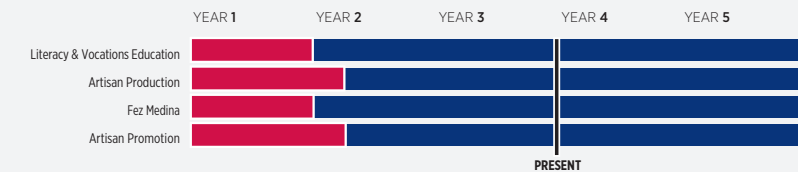
Rehabilitate five Fez Medina Sites; raise average wages and profits of small and medium pottery workshops from \$1,870 to \$2,843 per month; 69,000 beneficiaries receiving literacy training and 22,115 receiving vocational training.

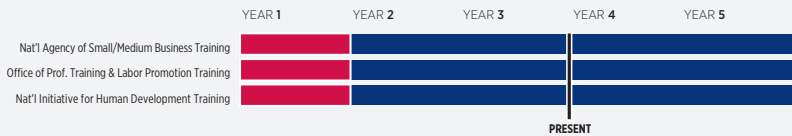

PROGRESS TO DATE

Contracts signed for construction at Ain Nokbi (the area where some artisans from Place Lalla Yeddouna will be resettled in new, improved facilities). Foundouk designs are nearing completion and PLY designs are expected to be completed in first quarter of calendar year 2012.

PROJECT ACHIEVEMENTS

International architectural competition for design of Place Lalla Yeddouna completed, with over 170 teams having competed. Over 2,500 potters have received training.



Enterprise Support Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES¹
	\$33,850,000	\$14,294,773	\$11,373,693
Reduce high unemployment among young university graduates and encourage a more entrepreneurial culture by: measuring the impact of three pilot training initiatives being offered by the Government; expanding training initiatives beginning in Compact year four; and capacity building to help the Government better manage the selection and training processes for entrepreneurs.			
	PRESENT		
Projected Long-Term Results (Up to 20 years)			
ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	PROJECTED RESULTS BY END OF COMPACT	PROJECT ACHIEVEMENTS
13,000	\$34,000,000	Increase the survival rate of new businesses from 76% to 81%. Increase the value added per enterprise on average of \$20,400 per year	Training completed for three Government of Morocco implementing entities, enabling them to complete enterprise diagnostics and oversee coaching of entrepreneurs. An information system allowing them to track progress has been installed.
		PROGRESS TO DATE	
		Coaching tailored to each enterprise is underway and will continue until at least April 2012. 8,068 days of individual coaching have been provided and 19 networking/exchanges workshops have taken place.	
Financial Services Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES¹
	\$46,200,000	\$28,011,767	\$19,647,831
Increase financial services for microenterprises by addressing sector constraints: investing in Jaida's subordinated debt; analyzing regulatory and operational requirements for microcredit associations to change legal structure; supporting improvements to financial sector efficiency and transparency.			
	PRESENT		
Projected Long-Term Results (Up to 20 years)			
ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	PROJECTED RESULTS BY END OF COMPACT	PROJECT ACHIEVEMENTS
N/A.	N/A.	Improve micro-enterprise services and remove most severe constraints to the development of the microfinance sector based on market principals; ensure funding of the micro-credit sector through the Jaida Fund; develop new financial products.	Microcredit association staff throughout Morocco are being trained in how to incorporate environmental and social standards in their lending practices.
This project is designed to be demand-driven and the number of beneficiaries will depend on the actual demand for microcredit borrowing; therefore, beneficiary numbers are not estimated.		PROGRESS TO DATE	
		Seven projects have been selected to receive grant funding from the Technology Facility. 50 vans and pick-ups are being purchased for microcredit associations (AMCs) to use as mobile bank branches. Two microcredit associations have received financial or social ratings with MCC funding.	

In the spring of 2010, the Government of Morocco requested a modification of the Artisan and Fez Medina project, and the Makina component of the project was subsequently removed. In the fall of 2010, the Government of Morocco requested a modification of the Fruit Tree Productivity project, and the number of hectares covered under land under each activity was modified.

The Agence du Partenariat pour le Progrès (APP) is the entity implementing the Moroccan Compact.

In July of 2011, MCC approved the reallocation of \$21.2 million from the Artisan and Fez Medina Project to the Fruit Tree Productivity Project for creation of a new project activity. The activity, called the "Catalyst Fund," aims to stimulate private sector investment in the Project's targeted value chains.

[†]Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.

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